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From:

Sent: Thursday, February 18, 2010 10:00:58 AM

To:

Cc:

Subject: RE: Inquiry

Thanks, I recall our email dialogue about this. I know you said it's a for-profit entity, but being that the issue could also come up in EO context, I'm copying [REDACTED] in case he has any thoughts on the issue.

1. I would agree--I see no reason it wouldn't be subject to income tax. [REDACTED]
[REDACTED] Imposition of SECA tax here would be questionable due to the need for an underlying trade or business, a highly factually question that is likely not to be satisfied in at least some of the situations.

2. I think an employment relationship is even more unlikely on the facts and [REDACTED]
[REDACTED]. I suppose we don't have a statute problem on the ET if there were no 941s filed, [REDACTED]
[REDACTED]

Let me know if you want to discuss.